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U.S. House of Representatives
Committee on Natural Resources
Washington, DC 20515

Floor Statement of Rep. Doc Hastings
Ranking Member, House Natural Resources Committee
on H.R. 3534, the CLEAR Act
July 30, 2010

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Mr. Chairman, I yield myself such time as I may consume and ask unanimous consent to revise and extend my remarks.

Mr. Chairman, this bill is being sold as a response to the ongoing Gulf oil crisis, yet it is stuffed with page after page of provisions that are totally unrelated to the spill. This legislation, if passed, will kill jobs, raise taxes, increase federal spending, and cause even greater economic pain to Gulf Coast families and communities.

Republicans believe the federal government should be focused on permanently stopping the leak, cleaning up the oil, holding BP and those responsible for the spill fully accountable, and finding out what went wrong. Republicans believe educated reforms are needed to make American deepwater energy production the safest in the world – but these reforms must be based on the full facts of what caused and contributed to this tragedy.

But here in Washington Democrats are exploiting the oil spill as an excuse to impose a job-killing combination of tax increases, government spending, and greater bureaucratic regulations. Democrats are rushing ahead of the facts to enact unrelated policies that wouldn't stand on their own merits if they weren't hitched to this vehicle and this tragedy. They are not even waiting for the results of the many ongoing investigations, including the President's own hand-picked Commission on this matter.

This tragic oil spill and the President's arbitrary deepwater drilling moratorium have already cost thousands of jobs in the Gulf and across the nation. Congress should not be passing a law that will inflict deeper economic and unemployment pain.

The unlimited liability in this bill could devastate small operators and lead to 300,000 lost jobs. The budgets of the states and the federal government, because of this action, could face a \$147 billion deficit from lost revenue.

The new \$22 billion energy tax in this bill will not only cost more jobs, but it will raise energy and gas prices on American families and businesses. And this tax is imposed just on American oil and gas from federal leases. Foreign countries won't pay this tax. This tax actually hurts American workers and gives advantages to foreign competitors.

The bill includes over \$30 billion in new mandatory spending on programs totally unrelated to the oil spill. To make matters worse, Democrat leaders inserted specific language in the bill allowing every single dollar to be earmarked. This makes this bill a giant earmark ATM that automatically hands out a billion dollars a year from now until the year 2040.

This bill is supposed to be about the Gulf oil spill, yet it goes far beyond offshore drilling. It imposes taxes and restrictions for onshore energy production. But the impact is not just on natural gas and oil onshore, it also affects renewable energy like wind, solar and geothermal.

It doesn't stop there. In response to the federal government's failure to regulate the Deepwater Horizon in federal waters, this bill requires a federal takeover of permitting in state waters. In what bizarre world does this make sense? It is a gross violation of the 10th Amendment. And it is opposed by an association of 38 states who regulate energy production on their lands and waters.

Let's take two steps back and consider what Democrats are doing with this bill. I believe BP is responsible for the Gulf oil spill and should be held 100 percent accountable for paying the costs of the cleanup and repairing the damages. I believe Chairman Rahall agrees. I believe everyone in the House agrees that BP's responsibility is to pay for this and not the taxpayers. So why does this supposed "oil spill response bill" impose a \$22 billion energy tax on Americans and increase unrelated spending by over \$30 billion? BP is supposed to pay, not taxpayers. There shouldn't be a new energy tax or billions in spending in this bill. The fact is, Democrats are using this oil spill tragedy as an excuse for unrelated tax and spending increases.

While the bill will cost billions in new taxes and higher spending, the real toll is on potential lost jobs because of the actions of this bill. American jobs will be lost and many will be sent overseas because of this bill. Why is this being done to the people of the Gulf Coast? The Gulf Coast has already taken a terrible economic hit. By what measure do they deserve this Democrat Congress taking action on a bill that will inflict even greater economic pain and suffering?

I urge my colleagues to oppose the CLEAR Act and insist on a bill in which we can all agree on regarding the safety and soundness of drilling in the Gulf.

I reserve the balance of my time.